AN ACT concerning postsecondary education; relating to the secretary of commerce; establishing the rural revitalization student loan repayment program.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) There is hereby established the rural revitalization student loan repayment program to be administered by the secretary of commerce. The program shall provide for the repayment of student loans for eligible individuals that establish domicile in a rural county. An eligible individual may enroll in the program in a form and manner prescribed by the secretary. Once enrolled, such eligible individual shall be entitled to continued participation in the program for 20 years, except that if the eligible individual relocates outside of a rural county, such individual forfeits such individual's eligibility to participate.

(b) The provisions of this act shall be subject to appropriation acts. Nothing in this act guarantees an eligible individual a right to the benefits provided by this section. If the amount of appropriations for the program is insufficient to pay in full the amount of student loans of eligible individuals in any year, the secretary shall prorate the amount appropriated among all eligible individuals.

(c) The secretary shall adopt rules and regulations necessary to administer the provisions of this section.

(d) As used in the rural revitalization student loan repayment program:

(1) "Eligible individual" means any person that:

(A) Attended an institution of higher education and earned an associate, bachelor or post-graduate degree;

(B) is currently repaying student loans for attendance at such institution; and

(C) has established domicile in a rural county.

(2) "Institution of higher education" means the same as such term is defined in K.S.A. 74-50,222, and amendment thereto.

(3) "Rural county" means any county of this state other than Douglas, Johnson, Sedgwick, Shawnee and Wyandotte counties.

(4) (A) "Student loan" means any federal education loan or other loan primarily used to finance educational expenses for attendance at an
institution of higher education, including, but not limited to, loans used to
finance tuition, fees, books, supplies, room and board and transportation.

(B) The term "student loan" shall not include: (i) Any extension of
credit under an open-ended consumer credit plan, a reverse mortgage
transaction, a residential mortgage transaction or any other loan that is
secured by real or personal property; or (ii) an extension of credit made by
a postsecondary educational institution, if the term of such extension of
credit is not longer than a person's educational program.

Sec. 2. This act shall take effect and be in force from and after its
publication in the statute book.